

# ECONOMIC FORECAST

**FY 2014  
4th Quarter**

Office of Management and Budget



# What the experts are saying...

“Job growth in the West and South will pull further ahead of other regions next year. Bolstered by energy exploration and development in Texas, La. and Okla. in the South and by a thriving high-tech sector in the West, gains in the two regions have been running at a pace that is double that of the Midwest and Northeast.”

*The Kiplinger Letter*, October 24, 2014

“The Texas housing sector continues to see moderate growth, with home sales and tight inventories pushing up prices. Texas home price gains have decelerated this year, although year to date through September, prices have appreciated faster in Texas than in the U.S.”

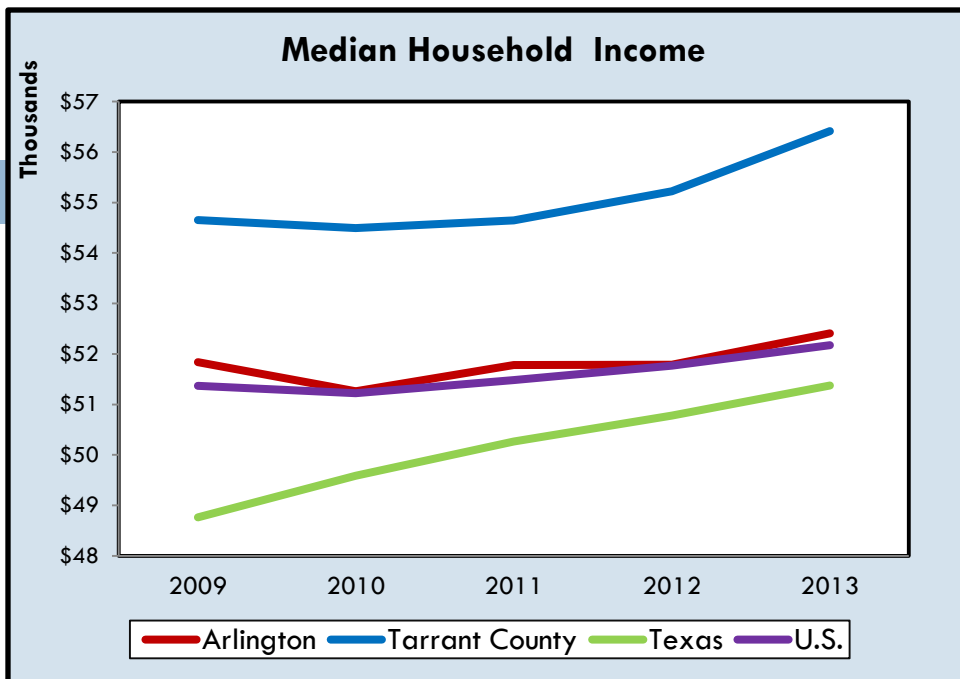
*Regional Economic Update*, Federal Reserve Bank of Dallas, October 31, 2014.

<http://www.dallasfed.org/assets/documents/research/update/reg/2014/1407.pdf>

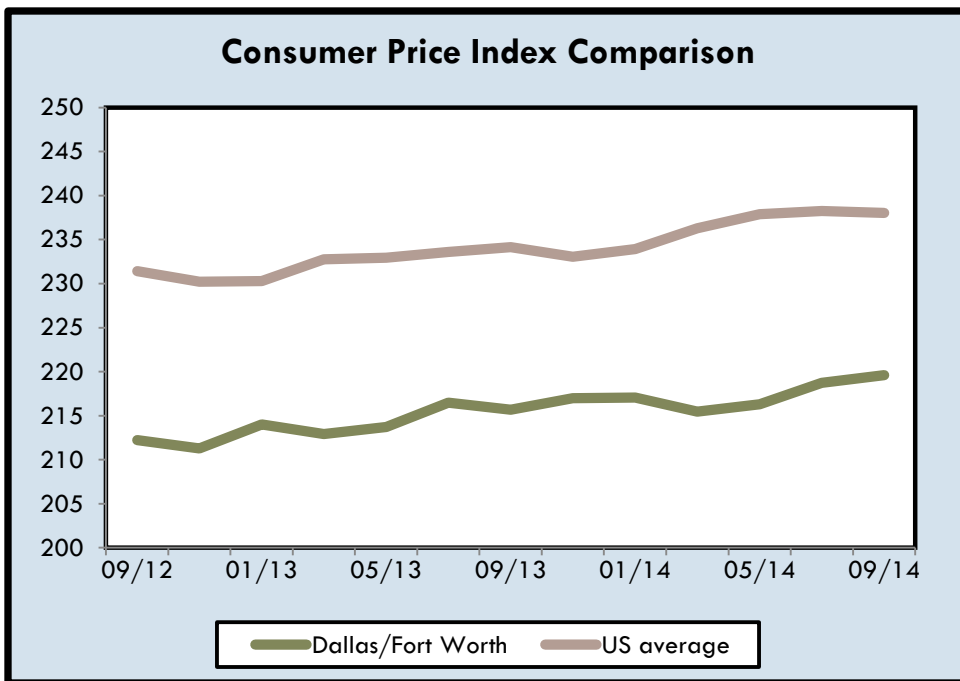
“Speedier economic growth won’t be enough to hasten interest rate jumps. Mid-2015 is still the best bet for the first Federal Reserve hike since 2006. Despite the likelihood of second-half 2014 GDP rising at a 3%-3.5% annualized pace and at a solid 3% or so next year, the economy is still not performing up to its potential.”

*The Kiplinger Letter*, October 3, 2014

# Household Indicators

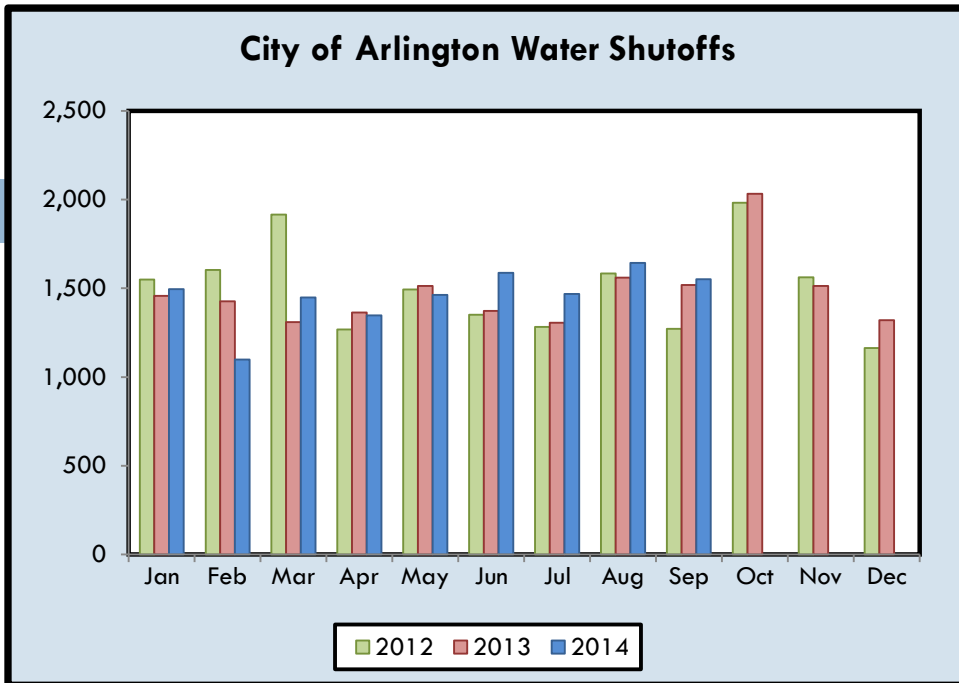


Median earnings of households in Arlington has risen from \$51,838 in 2009 to \$52,407 in 2013.

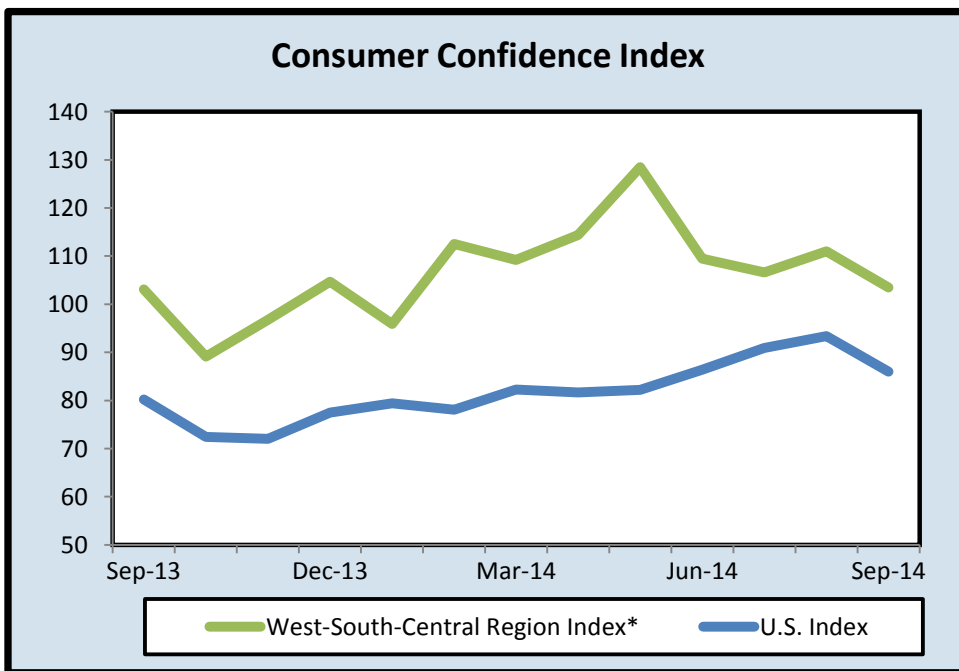


The U.S. average CPI rose from 234.1 in September 2013 to 238.0 in September 2014, while the D/FW average rose from 217.1 to 219.4.

# Household Indicators

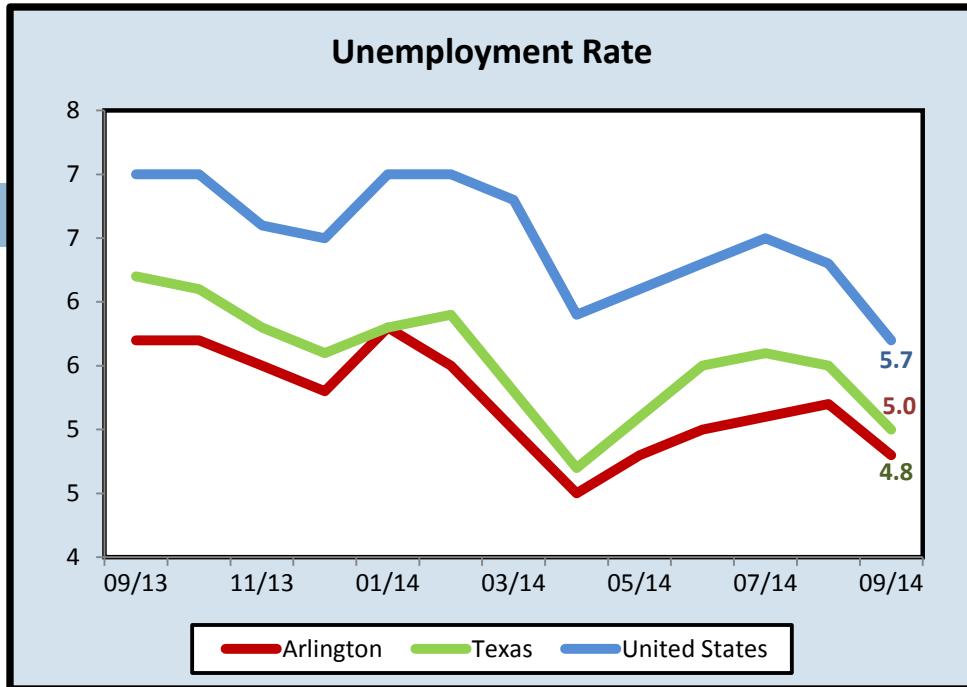


The number of monthly water shutoffs in September 2014 was 1,552, up from 1,519 in September 2013.

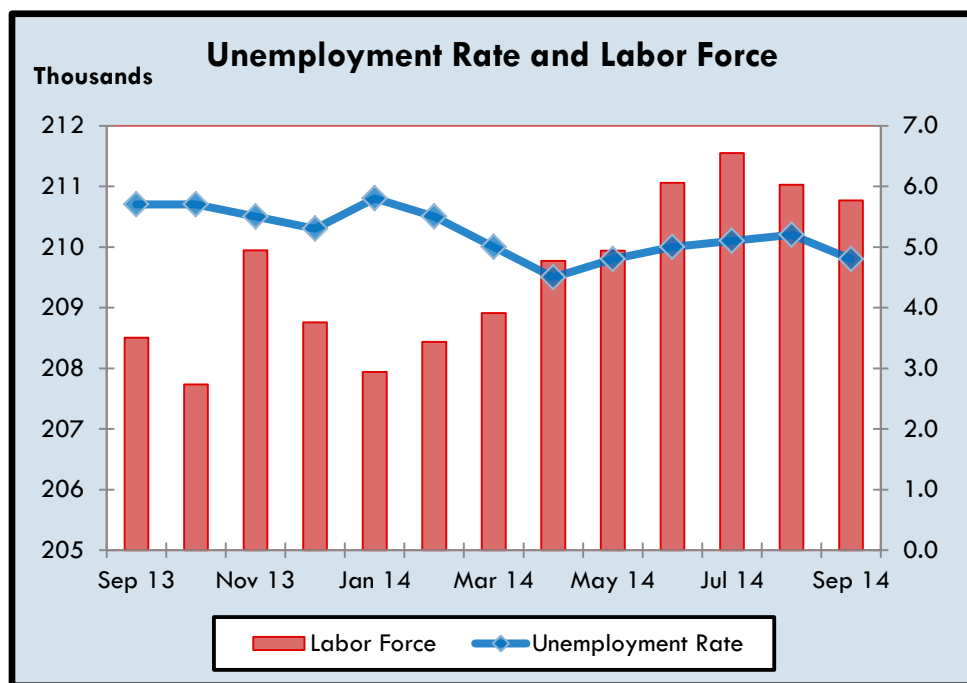


The Consumer Confidence Index for the West – South – Central (Texas, Arkansas, Louisiana, Oklahoma) Region for September 2014 is 103.5, up 0.4% from 103.1 in September 2013.

# Labor Indicators

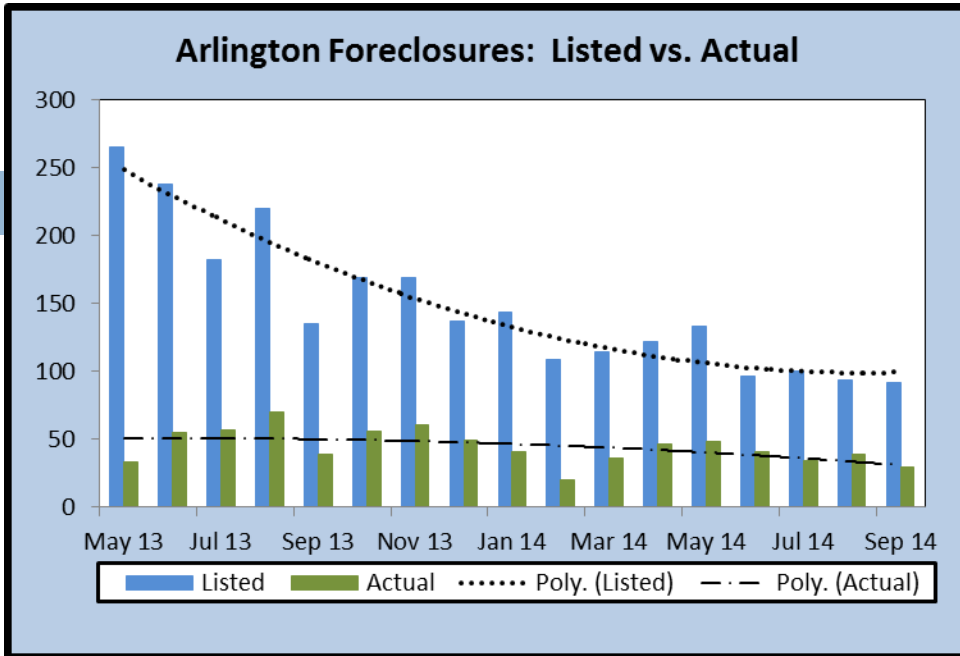


The unemployment rate in Arlington for September 2014 was 4.8%, down from 5.7% in September 2013.

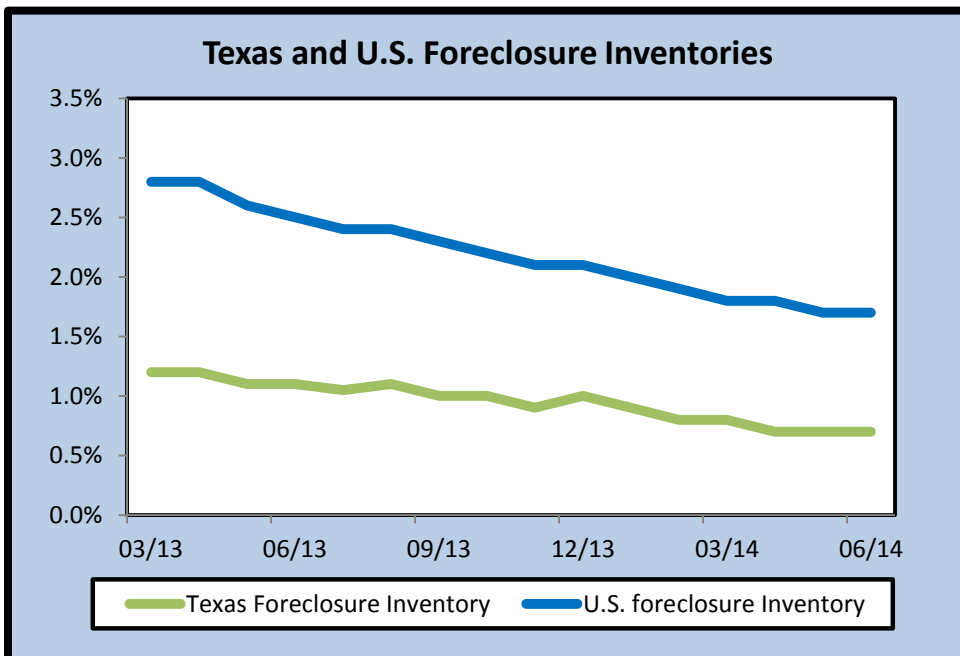


The Labor Force included 210,768 persons in Arlington in September 2014. This is an increase from September 2013, when the labor force was 208,506.

# Housing Indicators

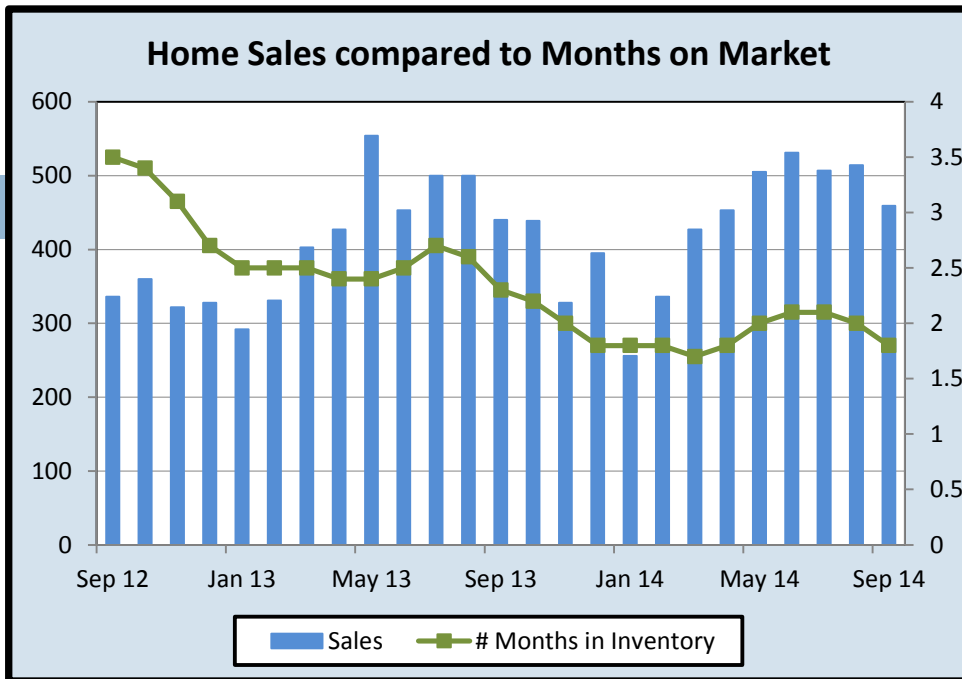


In September 2014, there were 92 foreclosures Listed in Arlington, with 29 actual foreclosures.

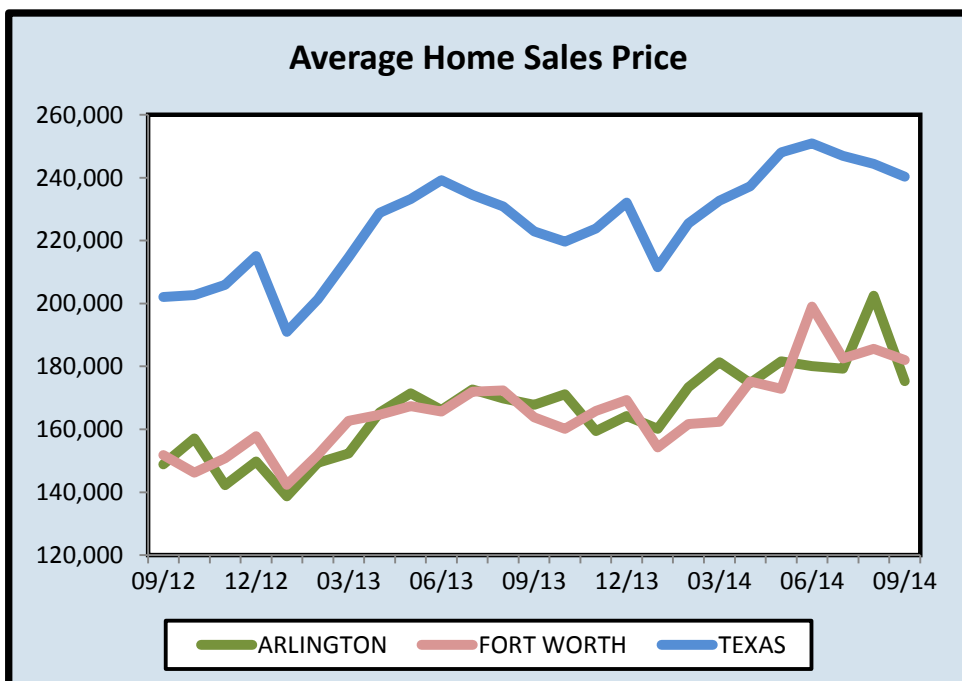


Nationally, 1.6% of homes with a mortgage were in foreclosure during September 2014, while only 0.7% of mortgaged homes in Texas were in foreclosure during September 2014.

# Real Estate Indicators

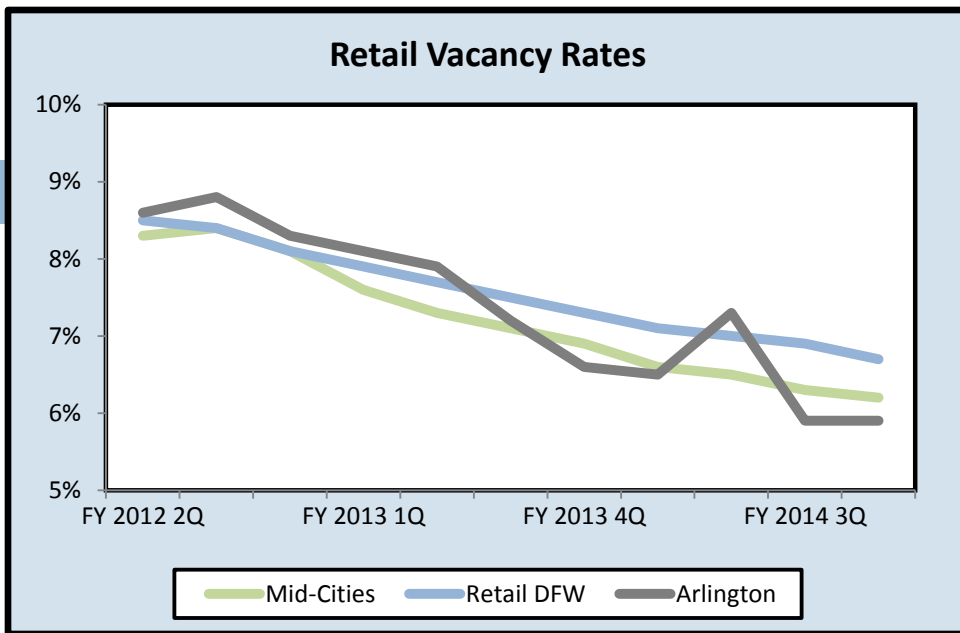


In September 2014, the average time a home in Arlington stayed on the market was 1.8 months, compared to 2.3 months in September 2013.

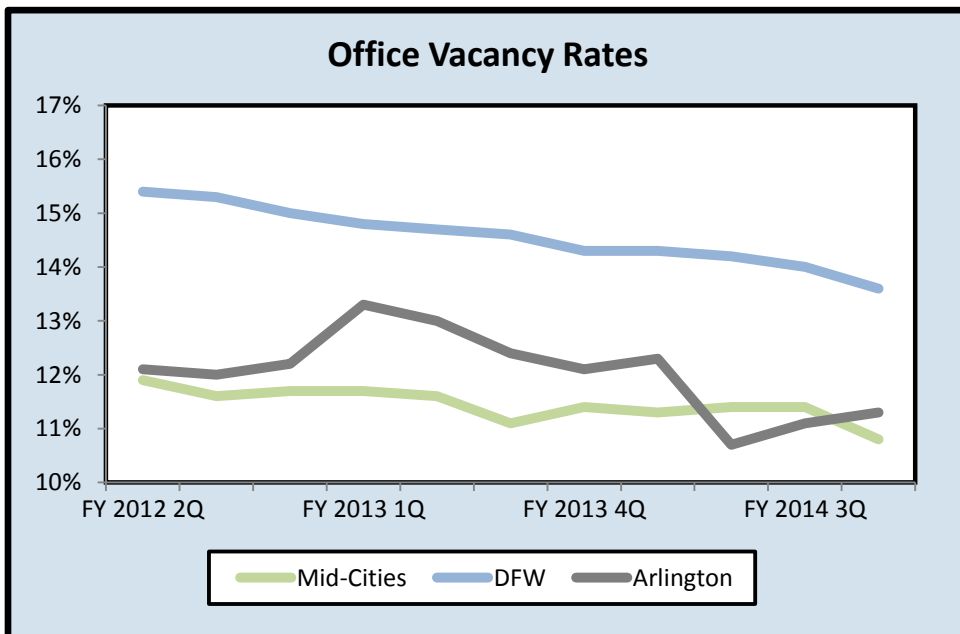


Average sale price for homes in Arlington in September 2014 was \$175,300. This is up from September 2013, when the average sale price was \$167,800.

# Real Estate Indicators



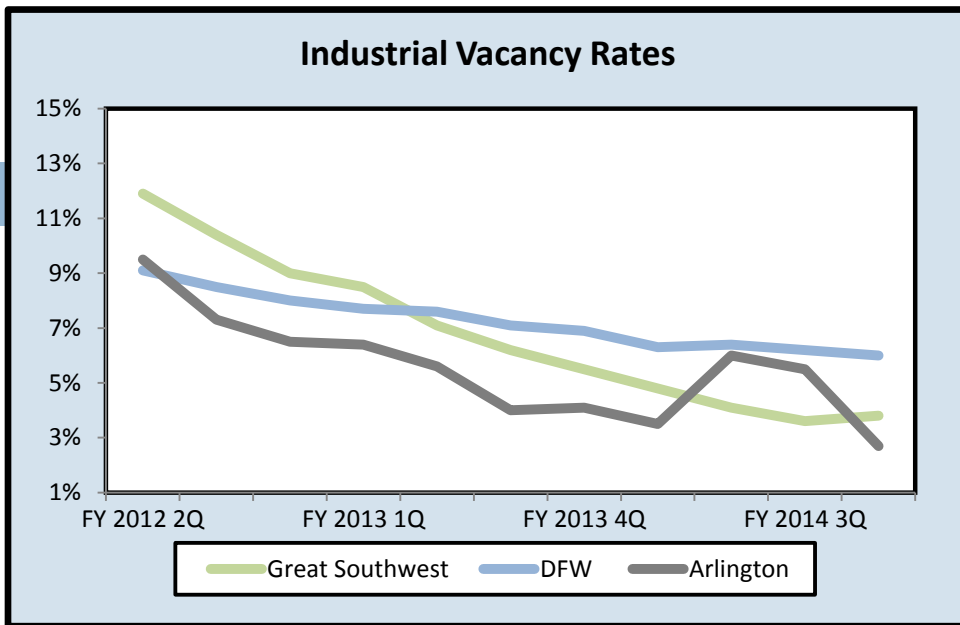
The vacancy rate for retail space in Arlington was 5.9% in the fourth quarter of FY 2014, down from 6.6% in the fourth quarter of FY 2013, and equal to the 5.9% vacancy rate in the third quarter of FY 2014.



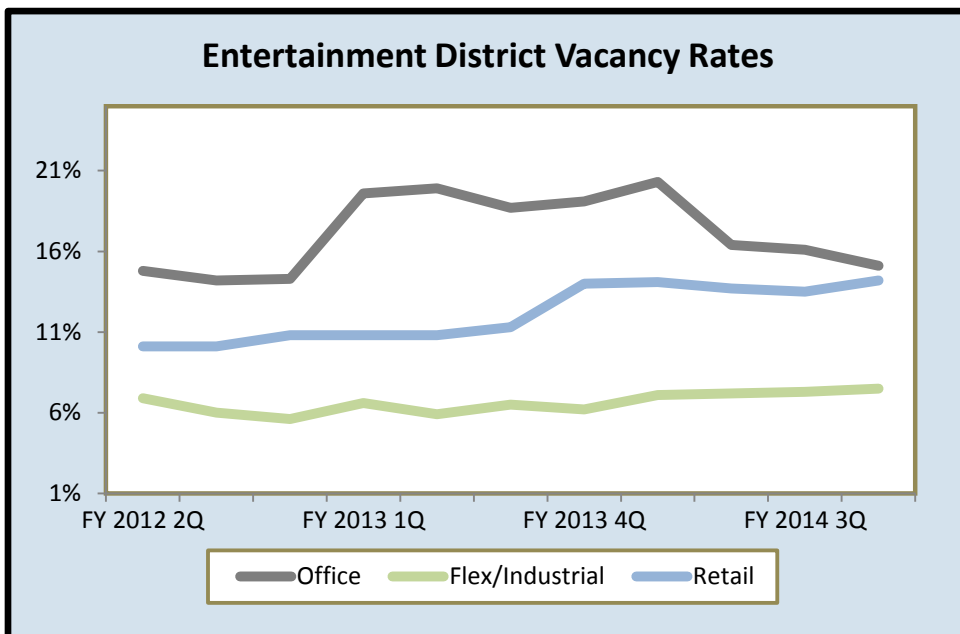
The vacancy rate for office space in Arlington was 11.3% in the fourth quarter of FY 2014, down from 12.1% in the fourth quarter of FY 2013, but up from 11.1% in the third quarter of FY 2014.



# Real Estate Indicators

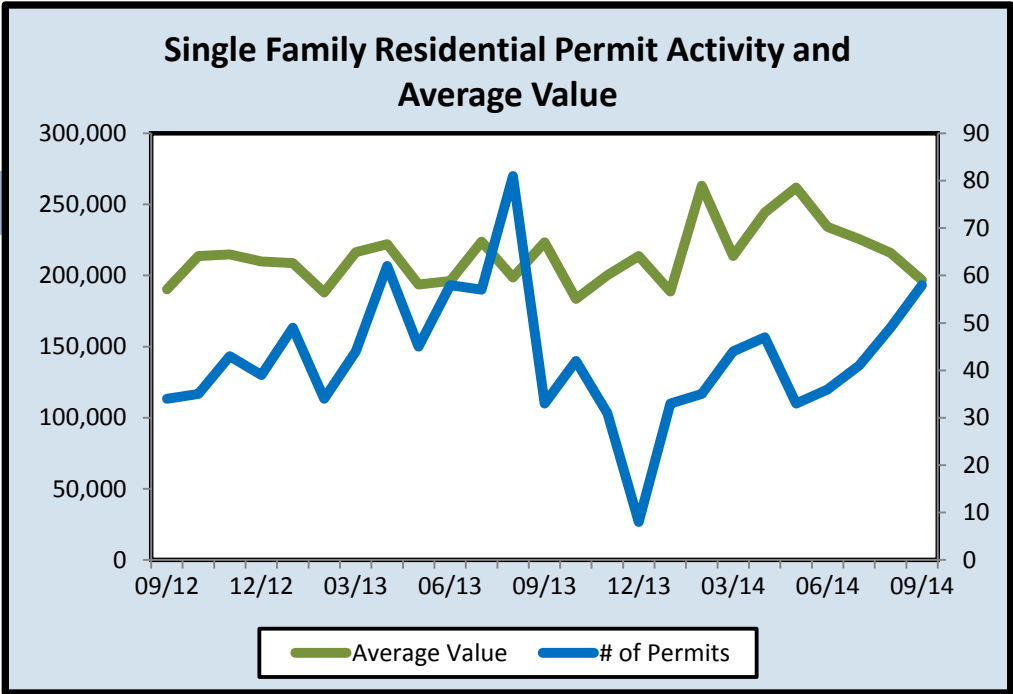


The vacancy rate for industrial space in Arlington was 2.7% in the fourth quarter of FY 2014, down from 4.1% in the fourth quarter of FY 2013, and down from 5.5% in the second quarter of 2014.

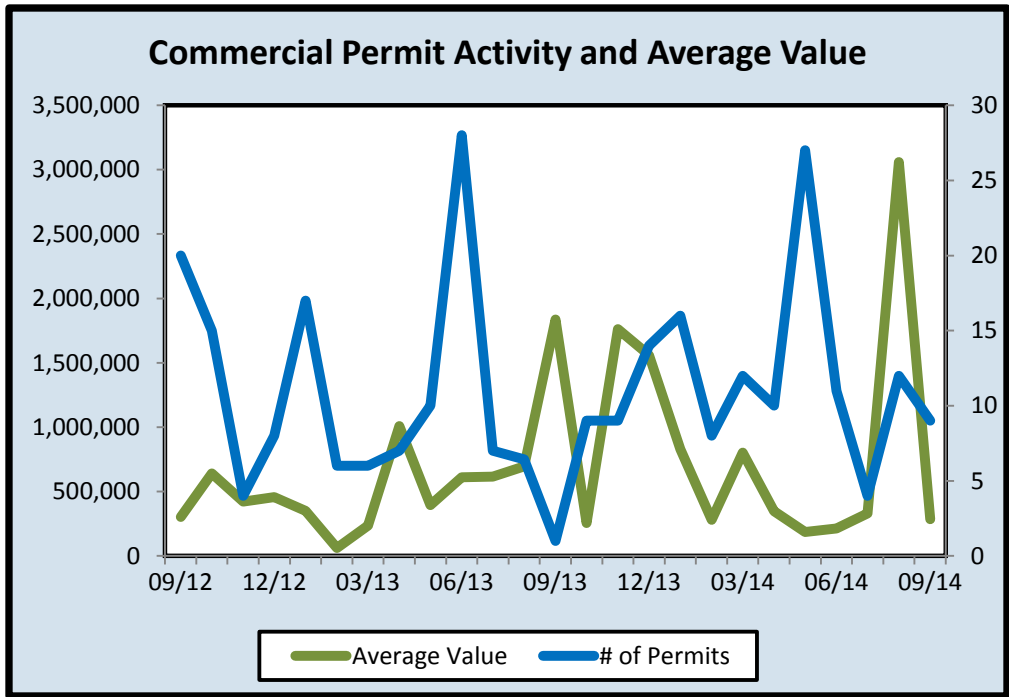


The vacancy rates for the Entertainment District in the third quarter of FY 2014 were 15.1% for office, 7.5% for industrial, and 14.2% for retail.

# Construction Indicators

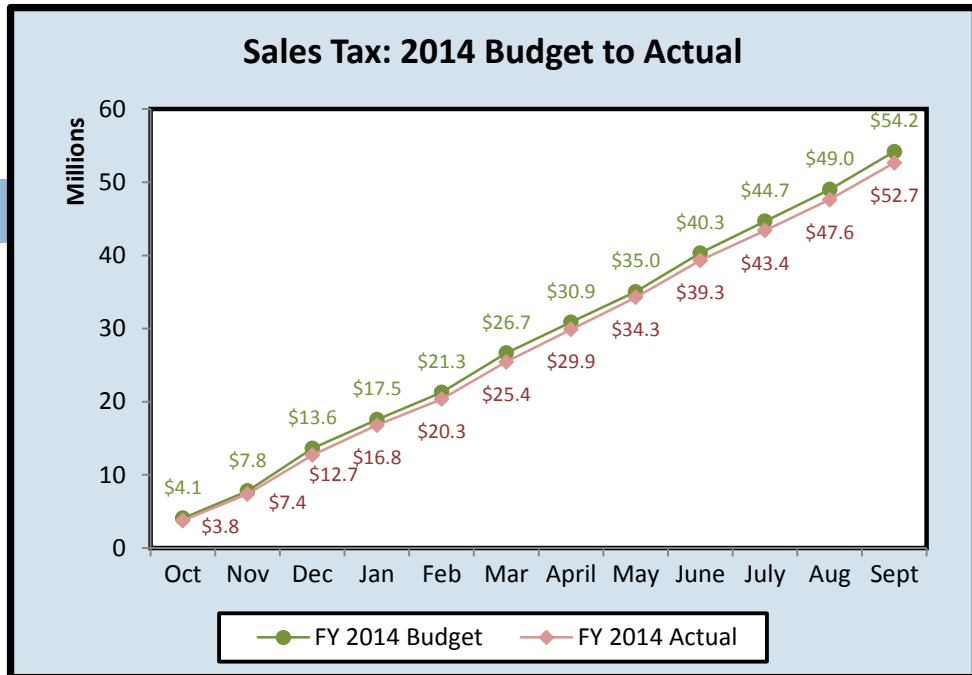


The average value of Single Family Residential Permits was \$196,931 in September 2014.

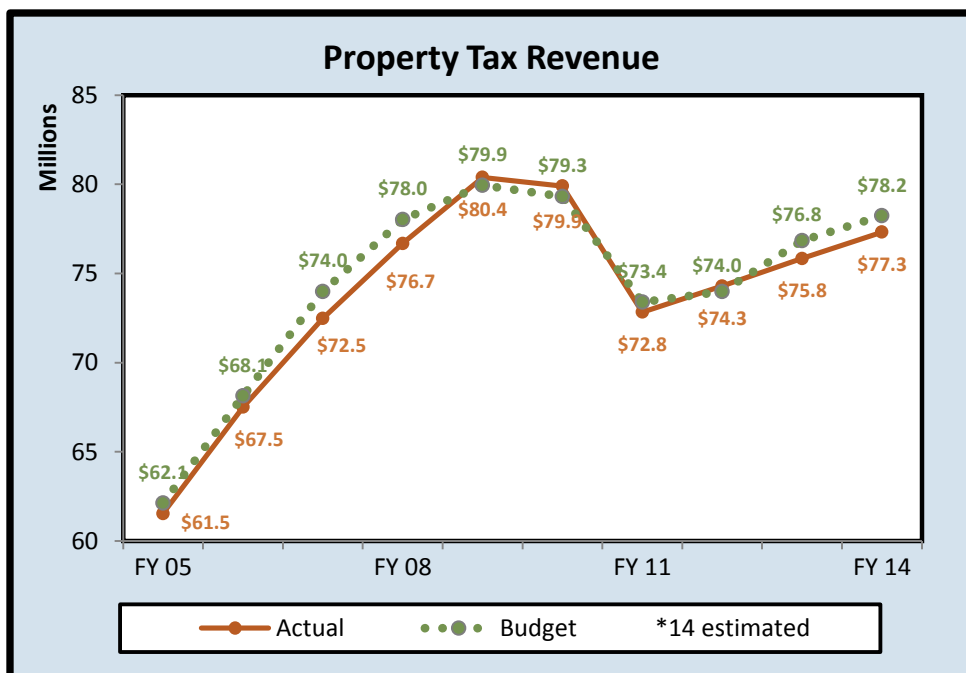


The average value of Commercial Permits was \$284,922 in September 2014.

# Revenue Indicators

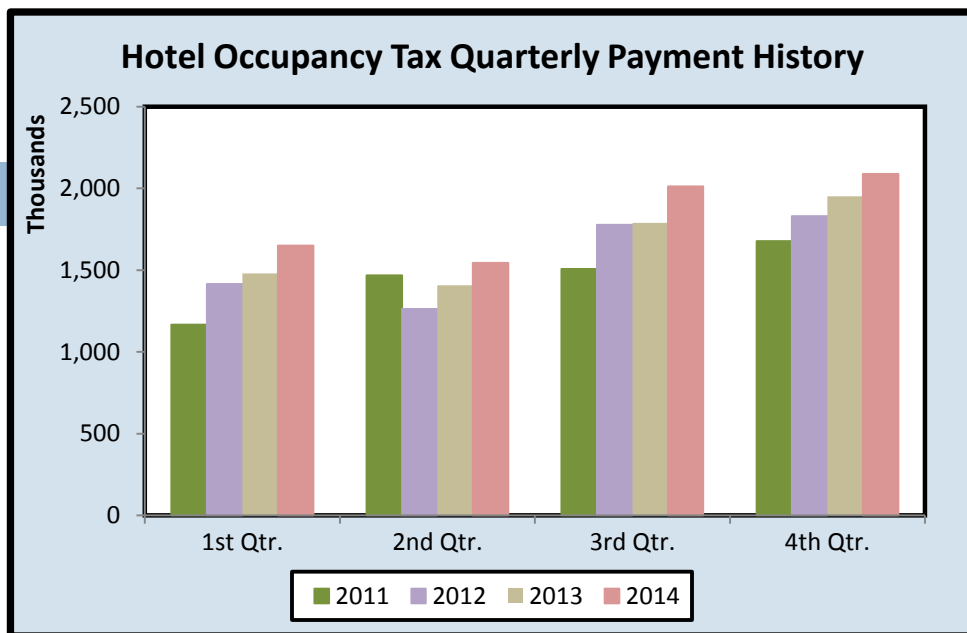


Through September 2014, receipts are \$1,523,135, or 2.8%, below the budgeted amount of \$54,185,131.

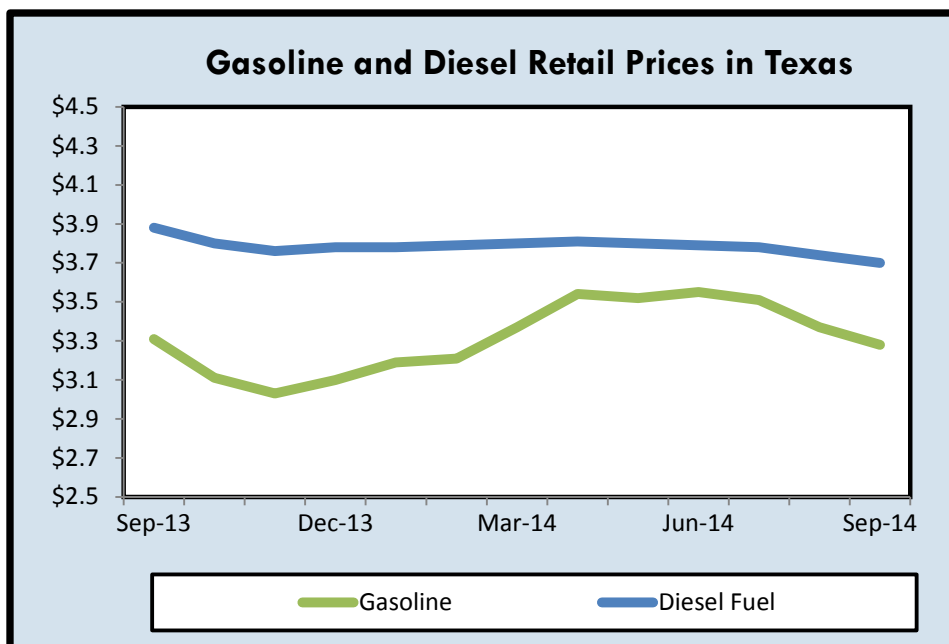


The City's property tax collections through September 2014 as a percentage of the July 2013 levy are 97.9%, compared to 98.1% for the same period last year.

# Revenue Indicators



FY 2014 fourth quarter Hotel Occupancy Tax revenues were \$2,088,092, up 7.0% from \$1,951,843 during the fourth quarter of FY 2013.



The average price of gasoline in Texas during September 2014 was \$3.28 per gallon, down 0.9% from \$3.31 per gallon in September 2013.

# Notes

